THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Yes, Sir.

(b) At present there is no decision to set up a new defence production unit.

Coal Scam

2175. SHRIMATI SAROJ DUBEY: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact the supply of coal meant for soldiers on the LoC in Jammu and Kashmir has been siphoned for the last two years by the private coal traders with the connivance of the local police and the army personnel in the State;

(b) if so, the details thereof;

(c) whether any independent enquiry has been made into this coal scam; and

(d) if so, the details of arrests made so far and further action taken against those found involved therein?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (d) On 11.2.2003 a news-item was published in The Indian Express based on the information from civil police, who had found some coal dumps outside the kilns in Kupwara. It was assumed by the police that the coal was meant for the Army. The coal was being carried in civil vehicles and not in Army vehicles. The Army has asked the civil police to provide the vehicle registration numbers to enable the Army to check if the vehicles were carrying coal for the Army. In case any involvement of Army is established, necessary action to hold Court of Inquiry and to punish the guilty will be taken.

Procurement of aircrafts for the Movement of VIPs

2176. SHRI K.B. KRISHNA MURTHY: Will the Minister of DEFENCE be pleased to state:

(a) whether Government are considering the bid of Embraer of Brazil for the supply of 5 small aircrafts for the movement of VIPs;